



HO BEE INVESTMENT LTD

For Immediate Release

PRESS RELEASE

Ho Bee Group posted a net profit of S\$187.1 million for the year ended 31 December 2012

SINGAPORE, 28 February 2013 – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and non-controlling interests of S\$187.1 million for the year ended 31 December 2012, 8% lower than the previous year.

The decrease in attributable profits was due mainly to the 57% decrease in fair value changes of investment properties from S\$41.3 million in the preceding year to S\$17.6 million.

Group turnover for FY2012 rose 39% from S\$331.2 million in FY2011 to S\$461.6 million. Earnings per share for the year was 26.7 cents, 1.3 cents lower than the previous year. Total shareholders' fund as at 31 December 2012 amounted to S\$1.787 billion, representing a net asset value of S\$2.58 per share. Net gearing decreased to 0.17 times from 0.27 times as at the end of last financial year.

For the fourth quarter, profit attributable to shareholders for 2012 was S\$66.9 million, compared to the S\$67.1 million recorded in 2011. Group turnover was S\$224.9 million, an increase of 238% over the same period last year as a result of the higher revenue recognition from development properties.

Property Development

Revenue from property development for the fourth quarter of 2012 amounted to S\$222.2 million, 249% higher than the corresponding period last year. This was attributed to the higher recognition of turnover for the Trilight residential project at Newton Road which obtained Temporary Occupation Permit in October 2012. For the full year, revenue increased 42% from S\$316.3 million in the preceding year to S\$450.7 million. This was due mainly to the higher revenue recognition on the completion of residential projects, Trilight and industrial project, One Pemimpin in 2012.

Property Investment

The Group's revenue from property investment for the 4th quarter of 2012 amounted to S\$2.7 million, 9% lower than the same period last year. On a full year comparison, it decreased 26% to S\$11 million from S\$14.9 million in the preceding year. This was due mainly to the sale of industrial building, One Tannery in the middle of 2012 and the office space at Samsung Hub last year.

Business Outlook

Mr. Chua Thian Poh, Chairman & CEO of the Group said that 2013 will be a challenging year. The recent measures for residential and commercial properties which were announced by the Government are expected to have a negative impact on the real estate sector.

Notwithstanding the above, the Group's earnings for 2013 will continue to be positive with the completion of the sale of Hotel Windsor in May 2013 and the remaining progressive income recognition of development projects. The expected gain on the disposal of shares in Chongbang Holdings (International) Limited will also contribute to the earnings for FY 2013.

"The Metropolis commercial project at One-North is expected to be completed by the third quarter of 2013. Currently about 60% of the 1.08 million square feet of net lettable space has been pre-committed. This will enhance the Group's recurring income in the years ahead. The Group will continue to look for investment and development opportunities both locally and overseas." added Mr. Chua.

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About Ho Bee Investment Ltd

Ho Bee Investment Ltd is listed on the mainboard of the Singapore Exchange since 1999. The real estate development and investment company has a portfolio that covers many quality residential, commercial and high-tech industrial projects since its establishment in 1987.

It is the leading developer of luxury homes in the exclusive residential enclave of Sentosa Cove. Its treasury of residences in Sentosa Cove includes condominiums like The Berth, The Coast, Turquoise and Seascape and bungalow developments on Coral and Paradise Islands.

Some of the properties that are currently under development by Ho Bee include:

- Cape Royale, a 302-unit condominium in Sentosa Cove (35:65 joint venture with IOI Land); and
- The Metropolis, a 1.2 million sq ft commercial development in One-North.

Headquartered in Singapore, Ho Bee has also diversified its real estate business overseas with a focus in the major cities of London (United Kingdom), Shanghai, Tangshan, Zhuhai (PRC) and Gold Coast (Australia).

More information about the company can be found on the company's website at www.hobee.com.

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